



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-2768
Fax: (517) 373-1986

Article 1

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 INITIAL APPROP.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	521.0	531.0	10.0	1.9
GROSS.....	155,685,300	187,715,100	32,029,800	20.6
Less:				
Interdepartmental Grants Received	320,000	326,700	6,700	2.1
ADJUSTED GROSS	155,365,300	187,388,400	32,023,100	20.6
Less:				
Federal Funds	13,599,800	19,670,900	6,071,100	44.6
Local and Private.....	71,300	21,300	(50,000)	(70.1)
TOTAL STATE SPENDING.....	141,694,200	167,696,200	26,002,000	18.4
Less:				
Other State Restricted Funds.....	44,327,300	44,706,400	379,100	0.9
GENERAL FUND/GENERAL PURPOSE	97,366,900	122,989,800	25,622,900	26.3
PAYMENTS TO LOCALS.....	11,800,000	13,600,000	1,800,000	15.3

*As of July 21, 2022.

	Gross	GF/GP
FY 2021-22 Year-to-Date Appropriation	\$155,685,300	\$97,366,900

Changes from FY 2021-22 Year-to-Date:

Items Included by the Senate and House

- | | | |
|---|--------------|--------------|
| 1. Animal Industry Federal Support - Chronic Wasting Disease. The Governor, Senate, and House recommended \$500,000 in Federal funds to implement a biological study on chronic wasting disease. | 500,000 | 0 |
| 2. Community Supported Agriculture Program. The Governor recommended \$500,000 GF/GP to assist in bringing fresh fruits and vegetables to families facing food insecurities. The Senate and House did not include. | 0 | 0 |
| 3. Fund Shift. The Governor, Senate, and House recommended a shift of \$50,000 in funding from Private to Federal, to reflect funds received. | 0 | 0 |
| 4. Elimination of FY 2021-22 One-Time Funding. The Governor and Senate recommended the elimination of FY 2021-22 one-time funding of \$36,055,000 GF/GP, including \$25.0 million for Agriculture Nutrient Best Management Voluntary Practices Program, \$3.2 million for Agriculture Equine Industry Development Fund, \$3,180,000 for Farm Innovation Program, \$1,950,000 for County Fairs, Shows, and Expositions, \$1.1 million for Fair Food Network - Double Up Food Bucks, \$1.0 million for Local Conservation Districts, \$400,000 for Bovine TB Quarantine - Producer Reimbursement, and \$225,000 for Farm Stress Program. | (36,055,000) | (36,055,000) |
| 5. Economic Adjustments. Includes \$1,714,800 Gross and \$1,207,900 GF/GP for total economic adjustments, of which an estimated negative \$686,400 Gross and negative \$476,200 GF/GP is for legacy retirement costs. | 1,714,800 | 1,207,900 |

Conference Agreement on Items of Difference

6. Economic Development for Food and Agriculture. The Governor recommended \$30.0 million in GF/GP funding in support of Michigan's agriculture processes including supply chain, infrastructure, workforce resources that have been affected because of the pandemic, and also to reduce environmental risks in food processing facilities and support domestic marketing programs. The Senate and House did not include. Conference included a total of \$50.0 million GF/GP with \$12.0 million to be allocated to the Eastern Market.	50,000,000	50,000,000
7. Eastern Market Facility Upgrades. The Senate included \$12.0 million GF/GP in one-time funding for facility improvements at Detroit's Eastern Market. The House did not include. Conference earmarked \$12.0 million GF/GP per item no. 6.	0	0
8. Office of Rural Development. The Governor recommended \$10.0 million in GF/GP funding for grant assistance to rural communities faced with challenges in the areas of economic and workforce development, affordable housing, infrastructure, education, and high-speed internet connection. The Senate and House did not include. Conference included \$3.0 million GF/GP one-time along with the authorization for 3.0 temporary FTES, and an increase of \$500,000 GF/GP for ongoing office appropriations, bringing their FY 2022-23 ongoing office operations total to \$679,800 GF/GP.	3,500,000	3,500,000
9. Reforestation in Northern Lower Peninsula. The Governor and Senate recommended \$5.4 million Federal funds to reforest 16,100 acres of private and State-owned land. House included \$100. Conference included \$5.4 million Federal.	5,400,000	0
10. Food and Agriculture Preparedness, Readiness, and Response. The Governor recommended adding 4.0 FTEs and \$1.6 million GF/GP for emergency management preparations. The Senate and House did not include. Conference included.	1,600,000	1,600,000
11. Pesticide Safety. The Governor recommended 6.0 FTEs and \$1,170,000 GF/GP funding to expand agriculture worker protection program to protect workers and pesticide environments from pesticide exposure. The Senate and House did not include. Conference included.	1,170,000	1,170,000
12. Buy Michigan. The Governor and Senate (using "Select Michigan" as the campaign title) recommended funding \$1.0 million GF/GP to create a buy local campaign for Michigan grown and raised products. House did not include. Conference concurred with the Governor.	1,000,000	1,000,000
13. Local Conservation Districts. The Senate included \$1.0 million GF/GP on-going to replace \$1.0 million GF/GP in removed one-time funding and continue the total funding in FY 2022-23 at current year level of \$3.0 million GF/GP. House did not include. Conference included \$1.0 million in one-time funding.	1,000,000	1,000,000
14. Grants to Protein Processors. The Senate added \$1.0 million GF/GP to the Food and Agriculture Investment Program for grants to new and expanding protein processors. House and Conference did not include.	0	0
15. Animal Welfare and Veterinary Care. The Governor recommended \$650,000 GF/GP funding for support to Michigan registered animal shelters that have experienced adverse effects because of the pandemic. The Senate and House did not include. Conference included \$2.0 million one-time GF/GP.	2,000,000	2,000,000
16. Cervid Testing. The House included \$400,000 GF/GP to provide reimbursement for privately owned cervid facilities for required testing for chronic wasting disease and bovine TB. The Senate did not include. Conference included \$200,000 GF/GP in testing assistance.	200,000	200,000

17. Groundwater Monitoring. The Senate added a \$100 GF/GP one-time placeholder appropriation for a groundwater monitoring project. House and Conference did not include.	0	0
18. Environmental Stewardship. The Senate reduced the Environmental Stewardship appropriation line by \$100 to accommodate the one-time \$100 appropriation for groundwater monitoring, House and Conference did not include.	0	0
19. FY 2022-23 One-Time Appropriations. The Conference designated \$57.0 million GF/GP as one-time appropriations, which includes \$2.0 million for Animal Welfare and Veterinary Care, \$50.0 million for Economic Development for Food and Agriculture Industries Program (of which \$12.0 million is designated for the Eastern Market), \$3.0 million for Office of Rural Development Grants, \$1.0 million for local conservation districts, and \$1.0 million for Select Michigan.		
Total Changes	\$32,029,800	\$25,622,900
FY 2022-23 Initial Appropriation	\$187,715,100	\$122,989,800

Boilerplate Changes from FY 2021-22 Year-to-Date:Items Included by the Senate and House

1. **Industry Support Revenue.** The Governor, Senate, and House added new language allowing industry support funds to be carried forward into the following year and not lapse to the General Fund. (Sec. 707)
2. **Agriculture Nutrient Best Management Voluntary Practices Program.** The Governor, Senate, and House deleted this section referring to one-time appropriations for a water quality enhancement program. (Sec. 1001)
3. **Agriculture Equine Industry Development Fund (AEIDF).** The Governor, Senate, and House deleted this section referring to one-time appropriations to the AEIDF. (Sec. 1002)
4. **Farm Innovation Grant Program.** The Governor, Senate, and House deleted this section referring to one-time appropriations for grant assistance to farmers. (Sec. 1004)
5. **Farm Stress Program.** The Governor, Senate, and House deleted this section referring to one-time appropriations for behavioral healthcare assistance to farmers. (Sec. 1005)

Conference Agreement on Items of Difference

6. **Contingency Fund Legislative Transfers.** The Governor amended language to increase the maximum of Federal fund transfers from \$3.0 million to \$5.0 million, increase the maximum for Restricted funds from \$2.0 million to \$6.0 million, and keep the local and private funds limit that would be eligible for transfer at \$100,000. The Senate did not include this section. House and Conference included current year language. (Sec. 210)
7. **Retention of Reports.** The Governor and Senate recommended elimination of this section, which requires the Department to receive and retain records. House and Conference included. (Sec. 219)
8. **Policy Changes Made to Implement Public Acts.** The Governor and Senate deleted language that required the Department to report annually on policy changes made to implement recent public acts. House and Conference included. (Sec. 220)
9. **COVID-19 Requirements.** The Governor and Senate deleted language prohibiting certain departmental requirements for COVID-19 vaccinations or testing. House and Conference included. (Sec. 222)
10. **Remote Workers.** House included new language that would prohibit a worker hired after 2/28/20 to work remotely. Senate did not include. Conference did not include. (Sec.224)
11. **Incident Management Team.** Conference added new language requiring notification of local Senate and House members within 12 hours of an activation of the incident management team for the purpose of protecting life or property. (Sec. 241)
12. **Work Policy Notification.** Conference added new language requiring the posting by the department of its in-person, remote, or hybrid work policy on its website. (Sec. 224)

13. **Fees and Fee Collection.** Senate added new language that would put a limit on the cost of commercial pesticide applicator license test fees. House did not include. Conference amended language to only require department to work with test suppliers to ensure adequate capacity, statewide access, and cost structures comparable to neighboring states. (Sec. 301-5)
14. **Cervid Testing for Chronic Wasting Disease and Bovine TB.** The Senate added new language requiring \$200,000 from the appropriation for Animal Disease Prevention and Response to be used to provide reimbursement to licensed privately owned cervid facilities for the costs of required testing for chronic wasting disease and Bovine TB. House did not include. Conference included language referring to "cover costs associated with testing". (Sec.455)
15. **Reimbursement for Bovine TB Quarantine Costs.** House added new language that would reimburse up to \$20,000 livestock producers for costs of maintain livestock under quarantine. Senate and Conference did not include. (Sec. 459 in House-passed bill 5778)
16. **Pesticide and Plant Pest Management.** Conference added new language requiring \$1,170,000 of the funds appropriated in part 1 be used for staffing and support for education and compliance assistance efforts. (Sec. 502)
17. **Nutrient Management Report.** House added new language requiring a report of enrolled acres in nutrient management or other best management practices, new acreages, practices implemented, incentives, starting and ending balances of program, summary of outreach and training, and testing results. Senate did not include. Conference included. (Sec. 603)
18. **Environmental Stewardship/MAEAP Receive and Spend Authority.** The Governor and House included current year language allowing for receipt and expenditure of up to \$1.0 million in additional Federal funds should they become available. Senate did not include. Conference included. (Sec. 604)
19. **Food and Agriculture Investment Program.** The Governor removed language requiring project guidelines be approved by the Michigan Agriculture Commission and added that the estimated cost of the project would be \$2,472,600. The Senate retained current year language and added a designation of \$1.0 million shall be allocated to grants to new and expanding protein processors, and removed current year receive and expend authority for the program. The House and Conference retained current year language. (Sec. 701)
20. **Office of Rural Development.** The Senate added new language requiring the office to act to encourage and enable appropriate community advancements and improvements, including, but not limited to, housing, infrastructure, education, workforce development, and other needs uniquely present in rural areas of this state that will assist in expansion of rural agriculture development. House did not include. Conference included. (Sec. 702a)
21. **County Fairs, Shows, and Expositions Grant Program.** The Governor deleted language that stated "[a]ll grants will be distributed in accordance with this section and the grant guidelines published prior to the request for proposals" and added the cost of the project would be \$500,000. The Senate retained current year language. House added that program report should include administrative costs. Conference included current law with House addition to report. (Sec. 805)
22. **Office of Rural Development.** The Governor recommended new language providing guidelines for distributing \$10.0 million in grant funds proposed in part 1, to be used for enhancing broadband, housing, infrastructure, education, and workforce development. The Senate and House did not include. Conference included, but changes grant fund amount to \$3.0 million (Sec. 900)
23. **Economic Development for Food and Agriculture.** The Governor recommended new language providing guideline for the expenditure of a \$30.0 million program proposed in part 1, to support the food supply chain from Michigan farms and improve food safety and security. The Senate and House did not include. Conference included language, but raised the amount to \$50.0 million, from which \$12.0 million is to be allocated to the Eastern Market. (Sec. 901)
24. **Animal Welfare and Veterinary Care.** Conference added new language designating the funds in part 1 for Animal Welfare and Veterinary Care as a work project. (Sec.902)
25. **Bovine TB Quarantine Producer Reimbursement.** The Governor and Senate deleted this section referring to one-time appropriations for financial assistance to livestock producers. House moved section to 459; Conference did not include. (Sec. 1003 in current year, 459 in House passed bill 5778)

Date Completed: 7-21-22

Fiscal Analyst: Bruce R. Baker

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.